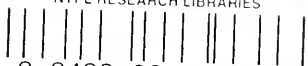
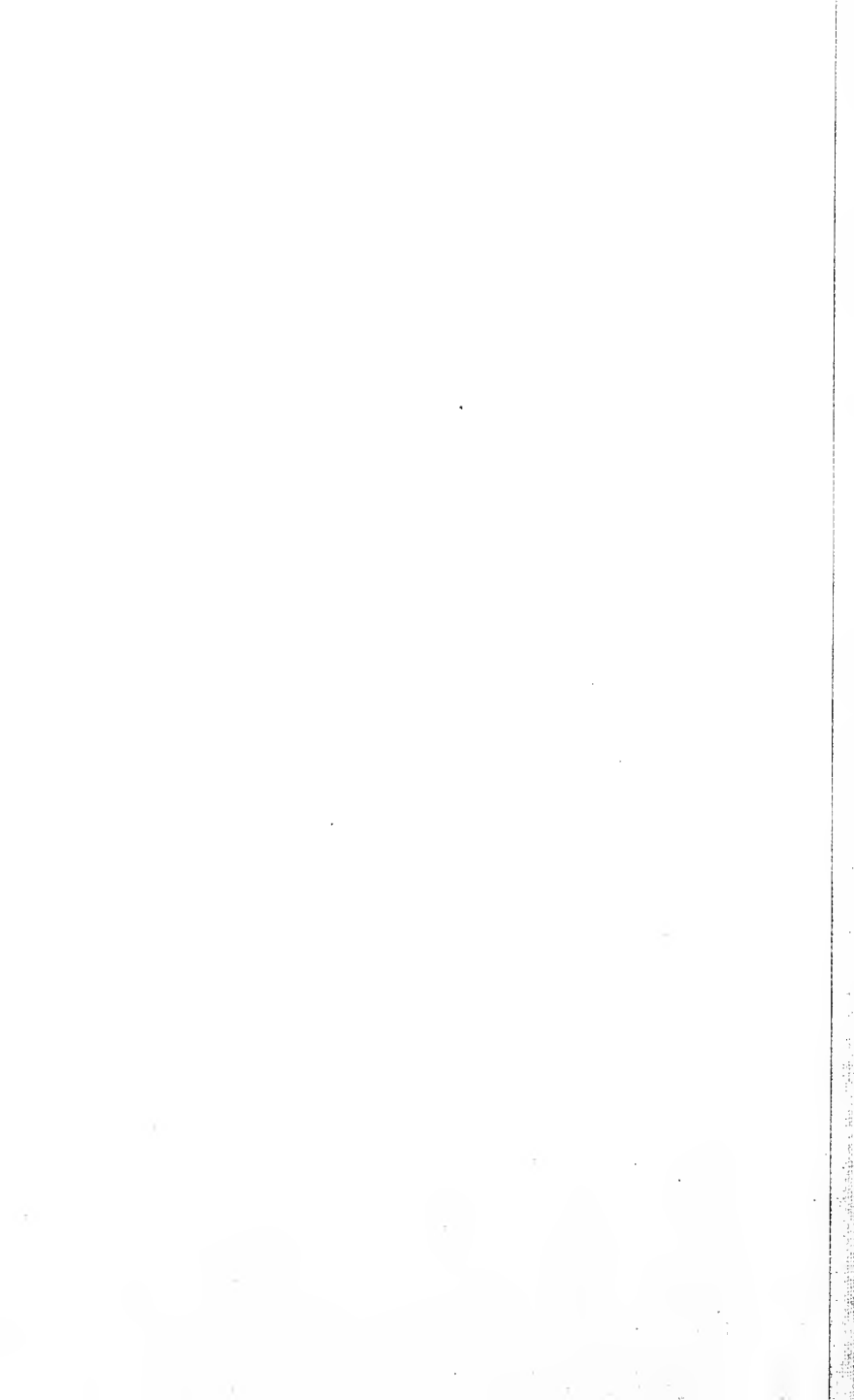


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GLADSTONE, MORLEY AND THE
CONFEDERATE LOAN
OF 1863

By
JOHN BIGELOW, LL.D.

"Only take heed to thyself, and I keep
thy soul diligently, *lest thou forget the*
things which thine eyes saw
but make them known unto **thy** children
and thy children's children."

Deuteronomy IV, 9.

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GLADSTONE, MORLEY AND THE
CONFEDERATE LOAN

OF 1863

AMONG the by no means infrequent occasions on which the late Mr. Gladstone indiscreetly placed himself before the public on the defensive, there was one about which his chosen and gifted biographer, usually so prompt in his hero's defense, maintains a mysterious reserve. In the year 1865 a report, having its origin in official sources, found its way into the public press to the effect that Mr. Gladstone, while Chancellor of the Exchequer, had been a subscriber to the Confederate 7% Cotton Loan brought out by the Erlangers in London and Paris in 1863. The only notice taken by Mr. Morley of this report, which produced, naturally, a world-wide sensation at the time, may be found in the following half-dozen lines in the second volume of his biography on page 83, and after a devotion of four full pages to an extenuation of Gladstone's famous "simple mistake" at Newcastle.

"Among the many *calumnies* poured upon him in this connection," says Mr. Morley, "was the charge that he had been a subscriber to the Confederate Loan. 'The statement' (he wrote to a correspondent,

October 17, 1865) 'is not only untrue, but it is so entirely void of the slightest shadow of support in any imaginable incident of the case, that I am hardly able to ascribe it to mere error, and am painfully perplexed as to the motives which could have prompted so mischievous a forgery.' "

Though Mr. Morley does not formally adopt or confirm the "statement," which he calls a calumny, I am not going to reproach him for using this offensive expression upon the authority of one whom he may be excused for regarding as the most competent witness.

For reasons I propose presently to disclose, I have not the same excuse for allowing Mr. Gladstone's statement to go unchallenged.

Therefore, acting as I generally try to, upon the Golden Rule of doing as I would be done by, I addressed to Mr. Morley a brief history of the incident which Mr. Gladstone alludes to as a "mischievous forgery," indulging the hope of a reply that would spare me the necessity of taking any public notice of it personally. In this I was disappointed. Mr. Morley's reply was as follows :

July 29, 1904.

Flower Mead, Wimbledon Park, S.W.

Dear Sir :

I have duly received your letter of July 21. Of the tone of it I have no right to make any sort of complaint. On the other hand I do not see that it falls upon me to undertake any reply. A certain allegation was made affecting Mr. Gladstone. He emphatically declared it wholly unfounded. This repudiation I transcribed, and in doing so I spoke of the original allegations as a calumny. Unless I disbelieve Mr. Gladstone, a calumny it was.

I did not and I do not disbelieve Mr. Gladstone. So far as I understand your position, it is not a refutation of his denial but a vindication of your own good faith in giving credence to the story.

Yours very truly,

JOHN MORLEY.

This letter, I repeat, disappointed me. As Mr. Morley still thinks, however, that he was warranted in stigmatizing the publication of the bankers' list as a calumny, in the most widely circulated biography of our time, he has made it seem to be my duty to the memory of Mr. Seward as well as to myself to make a public record of an official incident with which Mr. Morley appears to have been but imperfectly acquainted.

I.

IN the fall of 1865 I was a guest at a *bal costumé* given at the palace of the Minister of Foreign Affairs in Paris. In the course of the evening M. Drouyn de Lhuys brought up and presented to me an English gentleman who, he said, had expressed a desire to make my acquaintance.

The gentleman's name was Dugald Forbes Campbell. It appeared in the course of our interview that he was acting as an attorney for S. Isaac Campbell & Co.¹ of London, the owners of a barque called the *Springbok* which had been overtaken on our coast and condemned as a blockade-runner. He wished to

¹ The firm consisted of Samuel Isaac and Saul Isaac, though Moses' Brothers had a beneficial interest in the cargo.

satisfy me that she was nothing of the sort, but was in American waters about lawful business; and that if I would impress that view upon the Government I was representing at that time, I would be doing the just and proper thing. By way, I suppose, of warming up my interest in his clients' case, he allowed me to know that he had himself been one of the victims of the Confederate 7% Cotton Loan of 1863,¹ in company with a number of well-known members of Parliament and the press. Among them he surprised me by pronouncing the name of Mr. Gladstone. A careful cross-examination satisfied me that he had seen the list of the subscribers at the bankers' who had it in charge. I showed, I suppose, a lack of absolute confidence in his authorities rather than in himself, and I asked him if he could procure for me a copy of the subscription list. He thought he could and promised to try.

¹ What was meant by the Confederate Cotton Loan, as cited by Mr. Morley, will be intelligible to so limited a portion of the readers of this generation that their attention is invited here to a brief explanation of its origin and fate.

In January, 1863, the Confederates conceived the plan of supplying the means of carrying on the war against their lawful government by entering into a contract with Erlanger & Co. of Paris to guarantee £3,000,000 in twenty-year bonds, to bear 7% interest, payable semi-annually. Each bond was made exchangeable at its face value for New Orleans middling cotton, at the rate of sixpence a pound, *at any time not later than six months after the ratification of a treaty of peace with the Washington government.* Erlanger guaranteed the subscription to the loan at 77% of its face value; in other words, they purchased the bonds from the Government at that

figure. They were allowed a commission of 5% on the value of the loan placed, and also on any difference between 77% and the actual price received.

In March, 1863, the plan for the loan was announced in London, and it was at once placed upon the market in Paris and Frankfurt by Erlanger & Co., in London and Amsterdam by J. H. Schroeder & Co., and in Liverpool by Fraser, Trenholm & Co. They were offered to the public for subscription at 90; the contract for the loan had been kept so secret that not until the advertisements of it appeared in the foreign papers did the public in the Confederate States or elsewhere know the details of it. The London Stock Exchange did not give it official recognition, and in France, Drouyn de Lhuys, the Minister of Foreign Affairs, while expressing wishes for the success of the loan, advised Mr. Slidell, the Confederate

I treated his blockade-running as a matter not within my jurisdiction, but recommended him to employ a lawyer in America to bring the case before the proper authorities at Washington. He asked me also if I could recommend a lawyer. I named to him Mr. Evarts, who then happened to be in London, and assured him that his case could not be in better hands. Whether at my instance or otherwise, Mr. Evarts was retained.

Not many days elapsed before I received from Mr. Campbell the promised memoranda and several circulars relating to the loan. In a postscript to his letter he said:

“ You should try and get hold of a list of the *French* holders of the loan. You would find the name of Persigny, Mocquard, Fleury, and a number of other influential people. That information might be really useful to you hereafter.”

Commissioner in Paris, to rely upon circulars, and refused his consent to advertise it, till overruled by the Emperor. The loan was treated with great favor by the *London Times* and the *Economist*, the latter rating these cotton bonds higher than our Federal securities on the English market. The Confederate Government was known to hold in its possession over 350,000 bales of cotton, which at 6d. a pound would suffice to cancel the entire loan. These considerations led to a favorable reception of the bonds, and in two days the loan was reported to have been over-subscribed in London alone, and the total subscription to have five times exceeded its face value. The bonds at once advanced to 95½, the highest point they ever reached. Then a reaction set in, the purchasers then beginning to realize that all their security was in cotton that was locked up in the United

States by the blockading fleet of the Federal Government. To make their security available it was necessary to break the blockade by “running it,” or by securing an acknowledgment of the independence of the Confederate States. Running the blockade did not prove profitable. During the first nine months of 1863, when blockade-running was most profitable, the bond purchasers realized—from cotton, the Confederate currency—only \$8101.78, and that was the most they ever realized in any one year.

It soon became apparent that if they had to depend upon “blockade-running” their bonds had only a nominal value, and it was therefore during this period that the Queen’s government showed most disposition to recognize the independence of the South, for which Mr. Gladstone was sent in October to Newcastle to prepare the public mind.

The following list was among the papers referred to in his note:

Sir Henry de Houghton, Bart	£180,000
Isaac Campbell & Co., of 71 Jermyn Street, London, army contractors	150,000
Thomas Sterling Begbie, 50 Mansion House Place, London, ship-owner	140,000
The Marquis of Bath	50,000
James Spence, Liverpool, correspondent of the <i>Times</i> (under initials)	50,000
Mr. Beresford Hope	40,000
George Edward Seymour, stock-broker, Throgmorton Street, London	40,000
Messrs. Fernie	30,000
Alex. Collie & partners	20,000
Fleetwood, Patten, Wilson, L. Schuster, directors of Union Bank, London (together)	20,000
W. S. Lindsay	20,000
Sir Coutts Lindsay, Baronet	20,000
John Laird, M.P., Birkenhead	20,000
M. B. Sampson, city editor <i>Times</i>	15,000
John Thaddeus Delane, editor <i>Times</i>	10,000
Lady Georgiana Fane (sister of Lord Westmoreland)	15,000
J. S. Gilliat, director of Bank of England	10,000
D. Forbes Campbell, 45 Dover Street, Piccadilly, London	30,000
George Peacock, M.P.	5,000
Lord Wharncliffe	5,000
W. H. Gregory, M.P.	4,000
W. J. Rideout, proprietor London <i>Morning Post</i>	4,000
Edward Akenroyd	1,500
Lord Campbell	1,000
Lord Donoughmore	1,000
Lord Richard Grosvenor	1,000
Hon. Evelyn Ashley, son of Lord Shaftesbury, and private secretary to Lord Palmerston	500
Right Hon. William Ewart Gladstone	2,000

£885,000

RELUCTANT in so grave a matter to act upon any but the best testimony available, I determined to ask the Hon. John Bright, who was in exceptionally close political relations with Mr. Gladstone, to oblige me, and, as I presumed, Mr. Gladstone also, by ascertaining from him the truth or falsity of the Campbell story before discharging my duty to my government, should its falsity not be established. This determination led to the following correspondence:

Paris, July 26, 1865.

My dear Mr. Bright:

I have in my possession what I have reason to consider an authentic list of the principal holders of the Confederate Loan in England. Among them I was sorry to observe the Right Hon. Wm. E. Gladstone a subscriber for £2000. As there may be a mistake about this and as the list I refer to is destined to become a public document if nothing occurs to invalidate it, I have thought it best to ask you to ascertain, if you have any convenient way of doing so, whether Mr. Gladstone was a subscriber to that loan or not. I should be sorry to do him the wrong of publishing his name in America among the names of the men engaged in that swindling transaction, if it does not rightly belong there. If on the other hand he did choose to back his opinion that Jefferson Davis had "created a nation" to the extent of £2000, I think the world should know it; at least I shall take care that my government is advised of it.

Among other subscribers I notice the names of two other gentlemen, who were doubtless chivalrously backing their opinions. One is M. B. Sampson, City Editor of the *Times*, whose interest in the new nation was represented by £15,000, and J. T. Delane, also of the *Times*, whose interest was represented by £10,000.

A private secretary of Lord Palmerston, the son of Lord Shaftesbury, ventured £500.

I congratulate you upon the result of the elections. I think cheap newspapers begin to tell upon the government of England.

Yours very sincerely,

JOHN BIGELOW.

To this letter I received in a few days the following reply :

Rochdale, July 31, 1865.

My dear Mr. Bigelow :

I do not see how I can get the information about Mr. Gladstone except by a direct application to him, and I do not think I can take the liberty to write to him on such a matter, having differed from him so entirely on the American question. He would think I was meddling with what was not my business, and would deem me rather impertinent than friendly. I shall be surprised if it should turn out that his name is in the list and for so small a sum as £2000. He is not a rich man, but I think he would scarcely enter into anything so doubtful and for so small an amount. There are persons of the name of Gladstone in London and in Liverpool and Manchester, but he is the only *W. E.* Gladstone so far as I know.

If you are satisfied of the reality or validity of the list, I think it should be published. Perhaps you would have no objection to send me *a copy of the list*. I have often wished to see it ; it need not be published here unless you think proper, but I should like to bring out the fact that Sampson and Delane were large subscribers to the Loan. It would help to lessen the power of the gang who manage the *Times* and make money out of the credulity of the public.

I am going down into Wales for a few days, to return by the end of the week ; after that I may possibly get away to Scotland for a fortnight, to have some salmon fishing in the river Spey, that is, if we have rain to put the rivers in order.

If you can, let me have a copy of the "black list" ; I think some good may be done with it.

Always very sincerely yours,

JOHN BRIGHT.

THE tone of this letter left me no longer doubtful of my duty to communicate my convictions to Mr. Seward, though I accepted the statements of Mr. Campbell with difficulty, notwithstanding the distinguished auspices under which he had been presented to me. How could I doubt their substantial accuracy after reading this reply to my friendly appeal? Through the diplomatic representative of the United States Government in Paris, a report reaches Mr. Bright having every appearance of authenticity, that his official superior the Queen's Chancellor of the Exchequer had been purchasing securities of insurgents against our government, and at the very time too when the Prime Minister and the Minister of Foreign Affairs, as well as himself, were seriously considering the expediency of acknowledging the independence of the Confederate States: in other words, of declaring war upon the United States. Mr. Bright did not feel free either to deny the report unconditionally himself, or to ask his political chief what answer should be made to a question of such grave import coming from such a profoundly interested quarter. If I could not infer from his letter that Mr. Bright thought Mr. Gladstone guilty, much less might I infer that he was sure of his innocence. Upon what ground could Mr. Gladstone think that his friend and parliamentary colleague was meddling with what was none of his business, or deem it an impertinent or other than a friendly interpellation, except upon the theory that the question was one Mr. Gladstone would not like to answer?

Mr. Bright would have been surprised, he writes, if it should turn out that Gladstone's name was on the list, not altogether because it was too indecent a thing for a minister of the crown to have put it there, but because he was down for so small a sum. In other words, the offense would have been less improbable had it been greater. It occurred to me that perhaps Mr. Gladstone was a man whom his parliamentary colleagues were bound to regard as above suspicion. But Mr. Bright clearly did not think him quite above suspicion. Why should he, with his full knowledge of that statesman's undisguised sympathy with the Confederacy, of which more presently, and with a letter in his hand from an American minister showing that the rumor was regarded as authentic in quarters where such an impression could work incalculable mischief, even if false? What excuse had he for not giving Mr. Gladstone an opportunity of contradicting the story before it crossed the Atlantic, unless it was an excuse borrowed from the etiquette of the Roman Curia,—“*Il ne faut pas découvrir le Pape.*”

I no longer hesitated to refer Mr. Campbell's revelations to a tribunal which would have no scruples about putting Mr. Gladstone himself on the stand as a witness.

BIGELOW TO SEWARD

Paris, August 2, 1865.

Dear Sir :

I have the honor to transmit to you four enclosures, copies of a correspondence which has been recently communicated to me and which seems worthy of being preserved among the archives of the

State Department. If of no immediate practical value it will serve the future historian a useful purpose in explaining some of the incidents of our war during the last four years that have seemed hitherto to most people incomprehensible.

The first enclosure is a letter signed by A. J. B. Beresford Hope, W. S. Lindsay and Robert Bourke, dated from Acklow House, Nov. 7, 1863, inviting some thirty-one persons whose names are given to consent to the use of their names in organizing a "Southern Independence Association with the object of diffusing information as to the merits of the war in America and of keeping before the mind of the British public the policy and justice of recognizing the independence of the Confederate States at the earliest possible moment."

The first person on this list, who it seems was not proof against the flattering attention, was Mr. Alexander Baring, a member I believe of the banking house with which the United States keeps its European account.

Enclosure No. 2, date Nov. 23, acknowledges receipt of the requisite number of acceptances and invites a meeting on the 2nd December following.

Enclosure No. 3, dated the same day, Dec. 2nd, covers a draft Constitution which the members of the Committee are invited to vote upon at a meeting to be held on the 12th of the same month.

Enclosure No. 4 is a list of public men in England who have been the principal purchasers of Confederate bonds, with the amounts of their respective interests.

Several of the persons on this list are the natural prey of designing rogues, but there are other names there which you will see with astonishment. The first of this class is the last on the list, the Rt. Hon. Wm. E. Gladstone. That a prominent public man who has hazarded the opinion that "Jefferson Davis had made a nation" should feel called upon, at least in England, to back his opinions with his purse, is not strange; but one would have supposed that a Chancellor of the Exchequer would have chosen some mode of doing it less prejudicial to his fame as a financier.

Two of the editors of the London *Times* also figure in the list for an aggregate of £25,000. This also to an habitual reader of the *Times* furnishes food for reflection.

The Sir Henry de Houghton who leads off on the list with a subscription of £180,000 was the gentleman who headed the petition you declined to receive, of some 350,000 English people, more or less, praying President Lincoln, or Congress, or both, to "let the wayward sisters go."

Thomas S. Begbie, James Spence of Liverpool—the favored correspondent of the *Times* under the signature of "S."—and Messrs. Charles Joyce & Co. have all failed.

The persons enumerated in Enclosure No. 4 held at one time, I am told, nearly one half of the entire Confederate loan and justly enough have been the severest sufferers by it. The credit of inditing the enclosed circulars and constitution, of which the grammar is unfortunately by no means the most discreditable feature, belongs exclusively to the Hon. A. J. B. Beresford Hope.

I am, Sir, &c.

In compliance with Mr. Bright's request I sent him the list I had received, and in case he thought it should be published I suggested the *Daily News*, adding however:

"If any different disposition of the documents commends itself to your judgment, please consider them at your disposal subject to the condition of silence in regard to their source, already stipulated for."

In a few days I received the following from Mr. Bright:

Rochdale, Augt. 10, 1865.

My dear Mr. Bigelow :

I was disposed to send the list of names to the *Star*—but I am not sure whether it is best to publish them first here or in America. I am told there is or was a W. E. Gladstone in London—and I know there were some of the name intimate with, or connected with, W. Lindsay—for I once met father and son

(Gladstone) at his house. I cannot believe the Chancellor of the Exchequer to be one of the subscribers to the Loan.

If the list is correct, it does not follow that the losses are correctly given—for a man might subscribe, and afterwards sell out before any serious fall had taken place.

The correspondence is doubtless quite authentic—for there was no occasion for Beresford Hope and his co-laborers to avoid publicity, when "respectable" public opinion was running so much on their side.

It is curious to see the name of Mr. Geo. Edw'd Seymour, on the list of subscribers. He was in favor of Secesh and so far was not inconsistent,—but he is now the chief proprietor of the *Daily News*, and a Tory in English politics. For this reason I think that paper is not the one in which the publication could be most properly made.

If any of the persons in the list should object, and deny its correctness—is it possible that an action for libel could be sustained against the newspaper? I think not, if nothing was said about losses incurred—for it is only by a statement of losses that a man's credit could be injured.

I suspect the list is by no means complete—but the large subscribers might distribute some of the stock to other persons.

I have heard that many ladies of rank have subscribed to the Loan, and have lost money in it. I hope it may do them good, and teach them a useful lesson.

I don't know the name of the Paris Correspondent of the *Star*, but he might bring out the whole story in a special letter. You can think the matter over.

By the way—you only give a list up to £898,000—this is no more than one third of the whole Loan, and leads to the opinion that it is very incorrect, or very partial.

I wish I could have come to Dieppe—but I am fast at home just now. My children are here from school—and my brother is away in Ireland on a fishing excursion, and business affairs just now are too critical to be left without care. I wish your people would send us some cotton—we are sorely troubled for want of it.

I will not intrude on you during your journey to Liverpool. If it had been suitable, or possible for you, I should have been glad

to have seen you at our house—but Mrs. Bigelow will not like company now when she returns to England.¹

If anything occurs to you about the list, write to me. I will consult only a judicious friend about it.

I am always sincerely yours,

JOHN BRIGHT.

Early in September I wrote again to Mr. Seward :

The lists of subscribers referred to in your dispatch No. 228 were furnished me by one of the parties whose name is on the list of subscribers to the loan to a pretty large amount. I expect him in town between the 15th and 20th inst. and I will endeavor to get from him farther and more conclusive evidence of the authenticity of the list. . . . Before putting these papers among the archives of our government at Washington I wrote to Bright asking him to ascertain if Gladstone—the only one about whom I have any doubt—had been dabbling in this business. His reply led me to send him a copy of the correspondence and list.

I enclose both his letters. In the last, allusion is made to a proposal of mine to have the documents given publicity through the columns of the *London News* or *N. Y. Herald* or both in a correspondence from Paris. I know of no better way of determining their authenticity if any doubt remains after my next interview with the gentleman who furnished them. If you should have any *objection* to this course please let me know. You need not give me your permission. The correspondent of the *N. Y. Herald* and of the *Daily News* (London) is the same person, and in spite of what Bright says I think there would be no objection to the publication of them in that journal. Seymour has not a *controlling* interest in the *Daily News* nor would he care much if he were published as a subscriber.

Yours &c.

¹ Referring to a domestic affliction which we had experienced during Mrs. Bigelow's brief absence on a visit to the States.

Oct. 20, 1865.

My dear Sir :

I had hoped to receive some explanation of the amendments made through the press lately to the list of Confederate bondholders which I sent you. Campbell expected to be in Paris last week, but has not yet come. My impression is that the denial of many, who have denied, was technical. That their names were down on the records of the bankers, who had the selling of the loan, I have no doubt, with or without their formal consent. The truth is likely to come out. The leakage has begun already, as you will see by the reports of a meeting of the Confederate bondholders in London on the 18th inst, which appears in the *London News* and *Herald*. I send you copies.

It is gratifying to observe how very odious an offense it had become in England to have had anything to do with Confederate finances. Mason was compelled to deny that he had sent home a list. Why deny sending it if the parties accused were not on it ? And why not rather deny that they were not on it, if they were not ? The sudden silence of the press in England goes to show that it will not bear discussion.

To this letter I received the following reply :

Washington, 4th November, 1865.

My dear Sir :

Recurring to your private note of the 19th of October, I have to express my approval of the opinions and suggestions it contains in regard to the holders of the Rebel debt. The British nation owes us fuller and more free information concerning the character of those conspirators than its press thus far has given.

Believe me, my dear Sir,

Yours very faithfully,

WILLIAM H. SEWARD.

THE responsibility for giving the list of subscribers for the loan to the public was destined not to devolve upon me; for while deliberating about it a copy from New York papers was published at length in the London *Star*, on or about the 5th of October.

Its publication naturally produced an explosion felt throughout Her Majesty's dominions. In the course of a week nearly a dozen letters — not more, I believe — appeared in one or another of the London dailies whose editors or staff were incriminated, some admitting and some denying responsibility for the appearance of their names in what in 1863 was deemed a very eligible place but in 1865 had become very much the reverse. The London *Times* characterized it as “The Lying List,” and said, “there can be no doubt *now* that the so-called list of Confederate bondholders is what we believed it to be from the beginning, a foolish and malicious forgery.” And its *confrérie*, Tray, Blanche and Sweetheart, joined in the cry with such canine unanimity that the English public seemed to be honestly persuaded that the whole thing was what in newspaper *argot* is familiarly known as a fake.

Before proceeding to an analysis of these denials to show how far the *Times* of that day was in error, it will be necessary to bring to my readers' attention a paragraph in my letter to Mr. Seward of August 2nd, just cited, referring to some thirty or forty gentlemen who accepted the hospitalities of Mr. A. J. B. Beresford Hope at Acklow House for the purpose of

organizing "The Southern Independence Association," "to keep before the minds of the British public the policy and justice of recognizing the independence of the Confederate States at the earliest possible moment." This meeting was held in response to a circular signed by A. J. B. Beresford Hope, W. S. Lindsay and Robert Bourke.

It deserves to be noticed that those whose names are marked with a star (*) contributed no money to this organization; all the rest, marked with a dagger (†), did; and all whose names are printed in italics, eleven in number, were also on the list first sent by me to Mr. Seward and to Mr. Bright as subscribers to the Confederate Loan:

† Alexander Baring, Esq., M.P.,	accepted
† <i>Marquis of Bath</i> ,	"
† Hon. Robert Bourke,	"
† <i>Lord Campbell</i> ,	"
† Lord R. Cecil,	"
† <i>Earl of Denbighmore</i> ,	"
† Hon. Ernest Duncombe,	"
† Sir James Ferguson, M.P.,	"
† W. R. Seymour Fitzgerald, M.P.,	refused to join, after consulting Lord Derby
† J. S. Gilliat, Esq.,	accepted
† <i>W. H. Gregory, Esq., M.P.</i> ,	"
† Colonel Greville, M.P.,	"
† Judge Haliburton, M.P.,	"
† <i>A. J. B. Beresford Hope</i> ,	"
† Sir E. Harrison, Bart., M.P.,	"
† Marquis of Lothian,	"
† Sir Coutts Lindsay, Bart.,	"
† <i>W. S. Lindsay, Esq., M.P.</i> ,	"
* <i>George Peacock, Esq., M.P.</i> ,	"

* <i>James Spence, Esq.,</i>	accepted
† Lieut. Col. C. M. Stuart, M.P.,	"
† Lord Edwin H. Trevor, M.P.,	"
† William Vansittart, Esq., M.P.,	refused to join
* Lord E. Cecil,	accepted
† Sir A. H. Elton, Bart.,	"
† <i>Lord Wharnccliffe,</i>	"
* <i>Edward Ankroyd, Esq.,</i>	"
* <i>G. E. Seymour, Esq.,</i>	"
* Hon. C. Fitzwilliam, M.P.,	"
* John Laird, Esq., M. P.,	"
* W. Scholefield, Esq., M.P.,	"
Accepted	29
Declined	2
Known to have contributed money .	8

I will now briefly analyse the list of Confederate bondholders which I first sent to Mr. Seward and which contained the names of all who professed to have been aggrieved by the publication.

1. The largest subscriber to the loan and first on that list was Sir Henry de Houghton a cousin of the late Lord Houghton, for £180,000. It will be seen by the following letter from him to the London *Herald* that he had no complaints to make at the public association of his name with the loan, except for being treated by the press as a fictitious personage. When this gentleman with his 350,000 compatriots united in a formal appeal to President Lincoln to "let the wayward sisters go," he omitted to disclose 180,000 reasons for his forgetting that he asks once too oft who asks to be refused.

To the Editor of the London "Herald."
Sir :

Some evenings ago a paragraph appeared in the *Pull Mall Gazette*, asking "Who is Sir Henry de Houghton?" caviling at the American newspapers for believing in the existence of such a fictitious personage, and still more that they should have credited that he had been involved in the Confederate Cotton Loan.

What the purport or intention of that article was, remains for the *Pull Mall Gazette* to explain for I cannot; and can only appeal to you to let me make it known through your columns that I do exist, and to state that if I was alone in my silence with regard to the list of contributors to the Confederate Cotton Loan, I have the merit of *truth on my side*. Also that if I did lose by that loan even the sum attributed to my name by the *Pull Mall Gazette*, I at least was not ashamed of the cause in which I lost it, nor sought to fall away from my friends when that cause came to its worst.

I stood loyally by the Southern people from first to last, and I believe there is not an American (be he North or South) who would condemn me for adhering throughout to a losing cause, which I believed, and still believe, to have been a just one.

I have no desire to make mischief with regard to the list which the *Pull Mall Gazette* is pleased to designate as "an impudent forgery"; *but, perhaps, it may some day become known that Mr. Bigelow and Mr. Seward were not quite so much befooled in it as they were supposed to be.*

I have the honor to be, Sir, your obedient servant,
 HENRY DE HOUGHTON.

No. 16 Cockspur Street, S.W., and Houghton Tower,
 April 25. Lancashire.

2. Isaac Campbell & Co., army contractors, are down
 on the list of bondholders for £150,000
 and their agent, D. Forbes
 Campbell, for 30,000 £180,000

They made no complaint that their name was forged, but on the contrary it was to the latter gentleman, their agent, I was indebted for the names not only of himself and his principal, but of all the other subscribers named. If we consider the amount of their combined interest in the loan, we must conclude that they were as likely as any to know what company they were keeping.

3. Thomas Sterling Begbie, a ship-owner and blockade-runner, has made no complaint of the use of his name, though it was down for £140,000. He also was interested with Isaac Campbell & Co. in the *Springbok*.
4. The Marquis of Bath, whose name is on the list for £50,000, does not appear among the remonstrants, though he might have been excused from subscribing to this loan, as he was one of the organizers of the Southern Independence Association, to which he contributed in money, no doubt liberally, as he is one of the richest peers in England. He had the special advantage of being the cousin of Alexander Baring, the banker and Member of Parliament. Both were active members of the Southern Independence Association. The Marquis also appears to have received interest once at least as it fell due on his bonds.
5. James Spence, one of the bankers of the Confederacy, was also a Liverpool correspondent of the London *Times*. He did not deny that he was a subscriber for £50,000. He also was an active member of the Southern Independence Association.

Spence was offended by the employ of the Erlangers to bring out the Cotton Loan, regard-

ing it as an invasion of his bailiwick; and under threats of throwing his bonds upon the market at 50%, the Richmond government felt compelled to placate him with a douceur of £6000. He was the Liverpool banker for the Confederacy until he discontented the Richmond government with the antislavery tone of some of his effusions in the *Times*, and his agency for the Confederacy was abruptly terminated. Thereupon he sent in a bill for £15,000 for his services. After much wrangling and threatening, his peace was purchased for £12,000.¹

6. A. J. B. Beresford Hope was on the list for £40,000. He wrote to the *Times*, "The statement is a fabrication which has not even a basis of truth to stand upon. I never held a farthing of the loan."

Mr. Hope may not have written his name on the list, but a statement sworn to before a London notary says that his name is on the bankers' list for just £40,000 bonds, and it concerns him more even than the public to know who put it there and why.

If Mr. Hope's name was put there, with or without his help, it could have done him no harm; for he did so much more in aid of the insurgents than investing in their loan, that his denial of it was as disingenuous as it would have been had he really taken the bonds. He was at this time, and is still, I presume, if living, the proprietor of the *Saturday Review*, a weekly publication which from the day of its birth has rarely, even by accident, had anything in its columns for our Republic

¹ Bigelow's "France and the Confederate Navy: An International Episode." New York. Harper & Brothers, 1888.

less cruel than a sneer. He was also author of the circular which convoked the thirty-odd gentlemen to his house to organize the Southern Independence Association, an organization "built in eclipse and rigged with curses dark" for the single purpose of devising and supplying the speediest means for effecting the territorial dismemberment of the United States and making a mock of popular sovereignty throughout the world. From thirty to forty of the wealthiest and by virtue of their rank most influential men in all England were met with him at Acklow House to conspire for no nobler or less selfish purpose than animated the buccaneers in the lagoons of Louisiana the previous century. To show that this is doing Mr. Hope no injustice, I will cite an extract from the last two pages of an address or a lecture which he styled "A Popular View of the American War," and which he had been reading around the country to inflame the minds of English farmers and mechanics against our people and institutions:

"If we look at the map with impartial eyes, we must rise convinced that the inevitable design of Providence seems to be that the country (U. S. A.) should be divided into at least four great commonwealths, the North-West, the Midland (if the latter is not rather marked out for two at least, between the Alleghany and the Rocky Mountains), the South, and the Pacific. This division would be well for North America itself. Hitherto it has been conscious not so much of strength as numbers, and the United States hectored and bullied other powers because they had no one to keep them in order. Their only neighbors were Canada on the north, and the weak Republic of Mexico on the south. Once divided into a number of commonwealths, each would be a check upon the other, and each would fall into the position

of a European nation. Each would have to maintain its frontier, to keep up a standing army, to have a watchful foreign office. . . .

"Canada in the north, the Confederate States in the south, rely chiefly upon agriculture, and is it not common sense that *the great intermediate manufacturing district, turbulent, blustering, and aggressive, could best be kept in check by neighbors as powerful as itself?* There is no need for us to interfere at the present. . . .

"We cannot help seeing that, while Abraham Lincoln is an incapable pretender, Jefferson Davis is a bold, a daring, yet politic statesman. We may well wish to see the American States peacefully separate into the great divisions marked out by nature ; we may well wish to see bloodshed cease and peace restored ; but I contend, and I know the majority of thinking men in this country agree with me, though they are too mealy-mouthed as yet to say so, that the best and readiest method towards that end will be the establishment, as soon as possible, of the complete independence of the Confederate States."

Mr. Hope was the *enfant terrible* who disclosed in these remarks the hope and expectation which inspired and directed the policy of her Majesty's government in those days.

7. George Edward Seymour is not among the remonstrants. He was an active member of the S. I. A. conspiracy and was down among the bondholders for £40,000.
8. Messrs. Fernie & Co. held £30,000 in bonds, and as yet have given the public no evidence of discontent with their investment that I am aware of.
9. Alexander Collie and partners were down for £20,000 ; nor have they complained of their blunder getting into the newspapers.

10. Four directors of the Union Bank of London were down for £20,000. They also quietly accepted the situation, and unless they got Erlanger & Co. to persuade the Confederate Commissioner to sustain the market by buying back their bonds, that sum has doubtless been long since charged off to profit and loss.
11. W. S. Lindsay, M.P., was down for £20,000. His principal business was running the blockade and intriguing with France to get her to unite with England to break it. In the annexed letter to the London *Times* he pleads the feminine excuse for his loss that it "was such a little one."

To the Editor of the "Times."

Sir:

I had seen in a local paper the paragraph to which you refer in your impression of to-day, headed "The Confederate Loan—the Investors and their Losses"; but as it appeared to have reached this country from the New York journals through the *Morning Star*, I considered it altogether unworthy of notice, though it states a gross falsehood in regard to myself. *So far from my loss amounting to £20,000, it will not amount to one tenth that sum;* and I may add that the small investment I held in the Confederate Loan was made long after the loan was issued, and years after my opinion in regard to the war in America had been expressed both in and out of Parliament. I hope I may be further allowed to say, considering the somewhat active part I took in the cause of the South, that beyond the above investment I had no personal interest in its success; but I deeply regret that the Southern people, who fought so nobly and so well, were not able to achieve their independence.

I am your obedient servant,

W. S. LINDSAY.

Manor House, Shepperton, Middlesex, Oct. 5.

12. Sir Coutts Lindsay was down for £20,000. He made no complaint, and was also one of the active S. I. A.
13. John Laird, M.P., the famous Birkenhead ship-builder, was down for £20,000. He wrote to the Times:

“The statement, *so far as I am concerned*, is untrue, as I am not now and never have been directly or indirectly a holder or interested in any of that stock.”

On the 5th of November I asked Mr. Campbell how Laird's name came on his list. He said that the stock was taken in the name of his son, the old man having retired from the firm.

In a debate in the House of Commons, March 27, 1863, John Bright charged that a gunboat, the *Alexandra*, had been launched from a shipyard in Liverpool, and that two iron-clad rams were building by the Lairds at Birkenhead (opposite Liverpool), all three intended for Confederate cruisers to war upon the United States. John Laird, whose sons had built the *Alabama*, declared that in the building of that ship everything was perfectly straight and aboveboard; “I would rather,” he continued, “be handed down to posterity as the builder of a dozen *Alabamas* than as the man (referring to Bright) who applies himself deliberately to set class against class, and to cry up the institutions of another country which, when they come to be tested, are of no value whatever, and which reduce the very name of liberty to an absurdity.” His remarks, says the *Times* report, were received with *great cheering*.

The *Spectator* of April 4 said: “We read the debate on the *Alabama* question with profound

humiliation. . . . As if to remove all doubt of the temper of the House, Mr. Laird was not ashamed to justify his infraction of the provisions of the English Statute Book."

There was a Laird, Boyd & Co., of Glasgow, on the list for £20,000; whether in any way related to the Birkenhead Laird I cannot say. They at least made no complaint of being there.

14. Lady Georgiana Fane interested herself in Confederate bonds to the amount of £15,000. She had the good sense to draw her interest, once at least when it fell due; besides which her Ladyship received a dividend in experience worth far more, I presume and hope, than all the interest she received.

15. J. S. Gilliat, a director of the Bank of England, was down for £10,000, but he has never given the public any evidence of being discontented with his purchase. It is to be hoped that there are not many directors of the Bank of England so easily duped as Mr. Gilliat; and yet there were three or more uncomplaining Gilliat's down on the list:

J. K. Gilliat & Co.	. . .	£25,000
A. Gilliat	5,000
W. Gilliat	5,000

16. George E. Peacock, M.P., wrote to the *Times*: "I never held a shilling of the Confederate Loan; I do not hold a shilling of the Confederate Loan; and, I need scarcely add, I have not the smallest intention of doing so." Yet on the sworn list of bondholders before me is Mr. Peacock's name for £25,000. Not only so, but on this sworn list he is also charged with the receipt of the last interest

paid on his bonds. It would be interesting to know who signed the receipt for it. Mr. Peacock was also an active member of, and contributor to, the Beresford Hope S. I. A. A man not ashamed of that investment ought to glory in being merely a holder of Confederate Cotton bonds.

17. Lord Wharnccliffe is down for £5000. He, or some one for him, is sworn to have received interest on it. He was an active member of, and contributor to, the Acklow House conspiracy. His Lordship wrote to the *Times* that "that statement is an entire falsehood. I never at any time held any Confederate stock, nor did I ever buy into the loan." It is his duty and not mine to find out who has felt warranted in taking his name in vain, for it was certainly so taken.
18. W. H. Gregory, M.P., is down for £4000. He never appears to have denied it. He received his interest, and was an active and paying contributor to the Acklow House conspiracy.
19. Edward Ankroyd, down for £1500, writes that he "never invested a single farthing in the Confederate stock." He was, however, a member of, and contributor to, the Acklow House conspiracy, and his name is sworn to figure on the bond list. How it came there it was easy for him, and it was his duty, to ascertain, if he was ignorant of it.
20. Lord Campbell is down for £1000, but he never troubled the newspapers with any complaint about it. He was also an active member of, and contributor to, the S. I. A.
21. Lord Donoughmore was down for £1000. He was also an active member of, and contributor to,

the S. I. A. He never pretended to be innocent of either folly. He is the one who opened the eyes of Commissioner Mason to the necessity of liberating the slaves before the insurgents could look for any recognition, as a nation, from England.

22. Lord Richard Grosvenor did not deny his subscription of £1000 to the loan. He was also one of the Acklow House conspirators.

V

I HAVE thus shown beyond farther question that of the twenty-eight alleged subscribers to the first published list twenty-two were subscribers either to the loan or to the Southern Independence Association organized to coöperate with the insurgents, in a far more lawless enterprise than was ever contemplated by Jefferson Davis or any of his deluded followers.

There remain five others on the list who have complained. Three of these were editors and two were officers of the government. The editors were: Delane, of the *Times*, down for £10,000; Sampson, financial editor of the *Times*, for £15,000; and Rideout, of the *Morning Post*, for £4000.

Mr. Delane said in the *Times*: "I never applied for, never had allotted to me, never purchased either of myself or by others, never possessed any Confederate stock whatever."

Mr. Sampson wrote: "I beg to say that I have never held any Confederate stock, but that I declined

to accept an allotment offered to me at the time of its introduction."

Mr. Rideout, the proprietor of the *Morning Post*, the recognized organ of the Prime Minister, "followed the example of Mr. Beresford Hope," said the *Pall Mall Gazette*, and publicly denied that he was ever interested in the loan.

There are two ways of declining a crown — the Cromwellian way and the Cæsarean way — but the student of history will not fail to remark that the Cæsarian way has always proved the more popular. The disproportionate amount of the bonds allotted to the editor of the financial columns of the *Times* over that allotted to the editor in chief, reveals the character of the service to which the gamblers in these bonds attached most importance.

There is a proverbial saying among the Haytians that poor people give breakfasts with their hearts. By the same token editors give feasts with their pens. From the outbreak of the Civil War to its collapse, the *Times*, whose proprietor had been reported to me upon indisputable authority to be assiduously courting the Prime Minister for a peerage; the *Morning Post*, which was that Prime Minister's officious organ; the *Standard*, the leading London Tory paper (as I believe it continues to be), and the *Saturday Review*, Lord Beresford's property, were each and all in full cry for the success of the insurgents, and the disintegration of the American Union. Though, like the drummer in the fable, they carried no weapons and burned no powder, they were as responsible for the bloodshed, destruction of property, and misery

wrought in that war as those who did both ; and had they been caught within our lines, would have deserved to be punished as severely.

A single article in any of these prints, conceived in the spirit which animated all their treatment of the Washington government during the Civil War, was worth to the Confederates in those days many times the price of the stock that was undoubtedly allotted to them by somebody.

It is not a little strange that no one of these gentlemen took the trouble to ascertain and let the public know when and why such a liberty was taken with their names; and also why they did not publicly denounce the offenders, if they esteemed it such a scandal to be accused of assisting with their money a cause which they were assisting to the extent of their ability with their brains and pens.

The same is true, in a way, of the name of Mr. Ashley, Lord Palmerston's private secretary, a son of the then Earl of Shaftesbury.

I think I am taking no unwarrantable liberty when I refer here to a rumor current in well-informed English circles that Mr. Ashley, who, besides being Lord Palmerston's private secretary, became also his biographer, found among that nobleman's papers an elaborate memorandum by Mr. Gladstone, advocating the recognition of the Southern States; that he had consulted with the late Sir William Harcourt about giving a copy of that memorandum to Mr. Morley, and had decided not to give it,—whether in consequence of Harcourt's advice or in spite of it *non constat*. Nor did he say whether Mr. Morley knew of its existence

or not. As Mr. Gladstone was in the habit of keeping copies of all his letters and memoranda, it is strange that this should have escaped the attention of Mr. Morley, as it appears to have done. If it did, there can be no reason why it should not enrich the next edition of his biography of its author.

Be it observed that neither Mr. Ashley nor either of the editors denied that their names were on the bankers' list of bondholders, though apparently intending to create the impression that they were not. How otherwise could it be denounced as "a lying list"?

One name yet remains to be accounted for, by far the most important on the list in its bearing upon the struggle waging in America, and the only one which could have provoked me again to open this nauseous imposthume. It is that of William Ewart Gladstone, Chancellor of the Exchequer, who is quoted by his accomplished biographer as saying that the alleged subscription "is entirely void of the slightest shadow of support in any imaginable incident of the case." Let us see what warrant Mr. Gladstone had, or could have supposed he had, for making such a statement.

He telegraphed from the country house where he was stopping to the London *Star*, the moment he read its account of his subscription as published in America:

"I see my name placed by some strange error in the Confederate Loan list; have it removed."

Of course it could not be removed if not there. He did not positively deny, on this the proper occasion to make the denial, either that he had subscribed for bonds or that his name was on the list. All he said in this telegram he might truthfully have said had the

securities been bought and held, as hundreds of thousands were, in the name of his broker or banker, or some devoted friend.

It is not a little strange that, when Mr. Gladstone returned to London, he never to the end of his days sent to the London press any other or more explicit or direct denial of having any interest in this loan.

The denial quoted by Mr. Morley is a fragment of a four-page letter. It is given as a "statement" which Mr. Gladstone wrote to "a correspondent"; but the name of this correspondent is not given by Mr. Morley, nor is the fact allowed to appear that this correspondent was an American. The suppression of both these facts was obviously a tribute of friendship for his hero. I esteem myself fortunate in being able to give this letter entire, which, if quoted at all, was, as the reader will readily see, entitled to be quoted in full.

It was addressed to Mr. Ellis Yarnall, a conspicuous citizen of Pennsylvania, and a man of no mean consideration in the world of letters, who had felt warranted in giving to the readers of a leading daily journal of Philadelphia a caution against crediting the story, when it first appeared in an American print, that Mr. Gladstone had been a subscriber for the Confederate Loan, and who sent a copy of his communication to Mr. Gladstone, with a suggestion that he might wisely take advantage of the occasion more explicitly to define his sentiments toward the United States during our Civil War. Here is Mr. Gladstone's reply in full. The italics, of course, are mine. No portion of this letter, save the lines quoted by Mr. Morley, has ever appeared in any of the British journals or peri-

odicals, usually so ready to print and even to pay record prices for any fresh script of Mr. Gladstone:

GLADSTONE TO ELIAS VARNALL

Nottingham, Oct. 17, 1865.

My dear Sir :

I am very much obliged by your letter of Octr. 2nd, but it concerns me to learn that the false statement of my having been a subscriber to the Confederate Loan should have been first made, and should have been, as you inform me, widely circulated in America.

The statement is not only untrue, but is so entirely void of the slightest shadow of support in any imaginable incident of the case, that I am hardly able to ascribe it to mere error, and am painfully perplexed as to the motives which could have prompted so mischievous a forgery.

You are kind enough to suggest that I might make known to you more fully than I have hitherto done, with reference to what you very naturally and fairly term my "unfortunate declaration" at Newcastle, my sentiments on the late struggle.

My hands are at present extremely full. I will consider carefully your kind recommendation. I see one difficulty in complying with it. It is that after so great and wonderful a series of efforts with their extraordinary results, *your people can hardly be expected by us to bear the discussion of the case with anything like historic freedom.* I have no doubt that in the time of the "American War" we should ourselves have been equally or more impatient. The point on which the difficulty arises is this. If an interest was felt, up to the period of the outbreak, in the American nation, it seemed to be expected, on the occurrence of that outbreak, that not only was that interest to be retained in the form of a desire for the military success of the North, but it was to take effect also in the form of strong antipathy to the people of the South, one third or one fourth part of that very nation, towards which the friendly feeling had theretofore been felt. True there was the great drawback of slavery; but this had been before—and *the one thing that seemed (to me at least) most clear from the outset was, that the Secession, as a*

fact, was a great thing for the slave and opened new prospects to him. Now the time either has come already, or will come soon, when you, *the whole American people*, will look back upon the contest with the feeling that you *have a common and an equal interest in the gallant heroic deeds of both parties* : in the unexampled fortitude of the South, and in the equally unexampled and finally triumphant efforts of the North.

I deplore that great blot of slavery on the Southern side which prevented it from enjoying what it would otherwise have had, the strong and almost universal sympathy of Europe as to the issue of the struggle.

But I think slavery was the calamity of the South ; and that it was not for us, at any rate, to write it down as their crime.

However, I seem to be departing from my own intention without fulfilling yours, and I will leave off, expressing only that wish which I have for so many long years without interruption entertained — a fervent wish for the greatness, the goodness, and the happiness of your country.

I remain

Sincerely yours,

Ellis Yarnall, Esqr.

W. E. GLADSTONE.

Two or three paragraphs in this letter serve to explain, if they do not excuse, the brevity of the extract from it, given by the biographer, and his silence about the name and nationality of the correspondent.

Mr. Gladstone declines to yield to Mr. Yarnall's request for a fuller exposition of his "sentiments on the late struggle" than had been given some three years before in his Newcastle speech, because "after so great and wonderful a series of efforts with their extraordinary results your people can hardly be expected by us to bear the discussion of the case with anything like historic freedom."

And why could we not bear it? The struggle was over ; Jefferson Davis was a captive ; his armies had

surrendered and been permitted to return to their homes without one of their number being required to pay any of those customary penalties of rebellion which have been exacted by all other nations and under every other form of government ; the United States flag was floating over the capitol of every State in the Union ; not a single descendant of the race whose ancestors for the most part were brought in chains from the coast of Africa in English ships was any longer held in bondage on American soil, except for crime ; and the Government of the Union was working with never more harmony, efficiency or uncontested authority.

What was the difficulty to which a minister of the Queen was exposed in tendering his congratulations to a friendly power at the successful suppression of an insurrection the only purpose of which was the conservation, perpetuation and extension of slavery, "that great blot on the Southern side" which he professed to hold in abhorrence ?

Ought an English statesman to have hesitated about felicitating President Lincoln upon the vindication of the principles of popular sovereignty after such an exhibition of power for quelling disorder as had just been given beyond the Atlantic ; greater far than was ever exhibited before for any purpose by any nation, dynastically governed or otherwise ?

Could Mr. Gladstone see no difference in the cause we were defending and that which the slave-holding section of the country was assailing ?

Mr. Morley himself very correctly says : "Secession was undertaken for the purpose of erecting into an

independent state a community whose whole structure was moulded on a system which held labour in contempt, that kept the labourer in ignorance and cruel bondage, that demanded a vigilant censorship of the press and an army of watchmen and spies. And this barbaric state was to set itself up on the border of a great nation founded on free industry, political equality, diffused knowledge, energetic progress. . . . Therefore those who fought against secession fought against slavery and all that was involved in that dark burden, and whatever their motives at times may have been, they rendered an immortal service to humanity."

Was a complete reversal of all these conditions in the South, which had already been realized when this letter was written, an event for which any statesman, whether civilized or savage, need apologize for feeling grateful?

Upon the subject of slavery Mr. Gladstone's utterance in this letter is open to a kind of criticism to which he often exposed himself in his official career.

"True," he says, "there was the great drawback of slavery; but this had been before — and the one thing that seemed (to me at least) most clear from the outset was, that the Secession, as a fact, was a great thing for the slave and opened new prospects to him."

This might no doubt have been regarded as an amusing bit of sophistry in those ancient days when sophists constituted a professional class; but I question if any one to this day has been able to divine the process by which, in Mr. Gladstone's or in any other man's opinion, secession was a great thing for the slave; or to guess what kind of prospects were those

new prospects it opened to him; or indeed how any of them were at all likely to be new to him. Only sporting characters are going to grieve that the solution of this conundrum, like so many of its gifted author's *ballons d'essais*, had to be buried with his bones. It was not secession but discomfited secession that opened better prospects to the slave.

Later on in his letter Mr. Gladstone rather inconsequently "deplores that great blot of slavery on the Southern side which prevented it from enjoying" — what? "What it would otherwise have had, the strong and almost universal sympathy of Europe as to the issue of the struggle."

But what less than the almost universal sympathy, of England at least, did it lack when Mr. Gladstone made his speech at Newcastle? Was it quite ingenuous in him to pretend that slavery had anything to do with the question of recognizing the insurgents by him or Palmerston or Russell when they were plotting with the Emperor of France for such recognition, awaiting only the approval of their Sovereign, which they fortunately failed to secure? Slavery had no more to do with the attitude of any of those statesmen toward the Washington government in that crisis than the Thirty-nine Articles or the Nicene Creed. Evidence of this is disclosed, so far as Mr. Gladstone could speak for himself and colleagues, in the paragraph of his letter just cited. He there admits that had there been no slaves in the South, or had the South emancipated and armed them, as was suggested, and the whole South had become what the North already was, the home of free labor and free men, then

any insurgents wishing to dismember the Union and set the fragments of it by the ears, as frankly proclaimed to be the purpose by the conspirators at Acklow House, would have had not only the sympathy, but, as is now so clear that he who runs may read it, the material support both of England and of France.

We have in those words to Mr. Yarnall a practical admission that the disintegration of the American Union, and the awakening to a brutal activity the enemies of its own household, was the animating motive of the late Queen's advisers, and that slavery, the vital issue between the belligerents in America, was to them a purely academic question.

When Mr. Gladstone made this extraordinary statement about the great drawback of slavery, he must have forgotten, or have presumed that it would never be known in America, that just seven months before he gave it utterance his chief had formally declined, doubtless with the approval of the whole Cabinet, a proffer from Jefferson Davis to manumit all the slaves in the "nation" which he had represented Mr. Davis to have created, as an inducement for its recognition by England.

Synchronously with the inditing of this letter to Mr. Yarnall, and only a day or two after the news of the collapse of the Confederacy reached Paris, the first Lord Lytton said to me, in the presence of his brother, Lord Dallam, and several other gentlemen, that he regretted the result of the war; for he considered the growth of the United States a menace to civilization, and he had been indulging a hope that our war would

not end until we were divided into four or more separate sovereignties. I violate no confidence in repeating this statement, as I subsequently discovered that his lordship had previously aired the same opinion on the hustings in England.

VII

RETURNING now to the Cotton Loan subscribers, I will repeat here for what it is worth, a statement made to me by Mr. D. F. Campbell on the 5th of November, and which I transcribe from the record I made of it the same day.

“Nov. 5, 1865. Called on D. F. Campbell to learn his defense of the list of the holders of Confederate bonds. He insists that the list was correct; that Dudley Mann told him Gladstone held stock; that one day he was at Mann's rooms and Mann said, ‘If you had called a little sooner, you would have met Gladstone.’”

I may here as well add that the late Lord Houghton told me when he was in the United States in 1875 that Gladstone was down among the subscribers as well as his cousin, but “not for a great deal.” His lordship might have been mistaken of course, but he would hardly have made this statement had he had no cousin sure to know all about it.

I have before me an authentic copy of an affidavit which accompanied the list, the material portion of which reads as follows, omitting the name of the persons making it :

“I, — — —, in the County of Middlesex, England, Gentleman, do solemnly and sincerely declare that the numbers of bonds, names and addresses and memoranda as to interest last paid and written upon seven of the annexed nine sheets of paper are in my handwriting and faithful copies of the numbers, names and entries in and upon the entry or scrip book of the Seven per cent. Confederate Cotton Loan, the same being the official book in the possession of Confederate agents.”

This oath was certified to by a London Notary Public, in the usual form.

There are over three hundred subscribers to the Confederate Loan on this sworn list.¹ It embraces a very considerable number of representative Englishmen: members of Parliament by dozens; of the reverend clergy not a few; and many officers of high rank in the army and navy and in the administration. Officers of the army and navy, the reverend clergy, private secretaries, stipendiaries of the press,—men usually of limited incomes,—are not apt to flock to banking houses for a chance to purchase the bonds of Morocco or Greece or the South American Republics, still less of nations not yet born. Is it to be supposed that many, if any, of these gentlemen put up their money, and in such large amounts, on a gamble of this peculiarly risky nature, unless they had satisfactory reasons for believing that the army and navy

¹ I forbear to give the names of all these subscribers though I have them before me, for I wish to give no one unnecessary pain. I have endeavored to avoid using any names not necessary to show that if the publication of

Mr. Gladstone's name as one of the subscribers to the Confederate Loan has been the provocation of any calumny, it is not I who am the calumniator.

of England were behind them? And what better security could they ask than the names figuring on this list?

The loan was issued in 1863. The list, however, was not given by Mr. Seward to the public until the fall of 1865. Till then — an interval of fully two years — not a word of complaint was uttered by any one of the three hundred on that list, that his or her name had no business there; or that it had been placed there by some “strange error,” or in any other way, without authority. The *Times*, from which nothing of interest to the Confederates was concealed, did not once warn the public against this “lying list” during years; nor did any of its three or more inculpated editors utter a single shriek that they had been made the victims of a “false and malicious forgery” until after the insurrection had been put down and the Confederate bonds had been transmitted into “alms for the wallet of oblivion.”

Does charity compel us to assume that there was not one of these three hundred friends of the Confederacy who did not care enough for Mr. Delane to tell him betimes that he was one of the victims of a “malicious imposture”? nor one patriotic enough to advise the Chancellor of the Exchequer that his official as well as personal character had become the prey of a “mischievous forgery”? *Credat Judæus!*

When made aware of such abuse of their names, even so late as 1865, the question naturally arises, why were not measures taken at once by these reputed bondholders to have their names stricken from the list? Why wait until every chance of advantage from being

on it had passed away, before complaining of the wrong from which they had so long been silently suffering? Why rest so patiently liable to the suspicion that they were laboring under a belief that the South would triumph; that Jefferson Davis had really created a nation; that the clamors of the Union would in due time cease to be audible across the Atlantic; and their 7% bonds marketable in London at £150 or £175 instead of £90?

Then, again, the Confederate bankers were among the most widely known bankers in Europe: Fraser, Trenholm & Co., of London; James Spence, of Liverpool; Erlanger & Co., of Paris; and Schroeder & Co., of Holland. Any of these houses could have told any inquirer whether his name was on their list, and, if there, how it came there. Has any newspaper in London or elsewhere informed its readers that Mr. Gladstone, or any of the repudiating editors, or Mr. Hope, or indeed any single one of the three hundred on the list, ever asked either of these bankers, before or since the publication of the list, by whom or by whose authority their names were placed there? Would any one who needed such information have failed to seek it where it was so easily to be found?

Less than a dozen of that three hundred were all that ever denied being subscribers to the loan; and none of them, so far as yet appears, has denied that his name was on the list, and I have yet to hear of one of either class who ever brought any banker to book for placing his name, or allowing it to be placed, on it.

The silence of the bankers in charge of the London list is quite as mysterious as the apathy of their

aggrieved subscribers. No one of them has ever come to the defense of the complainants, nor to this day has any one of them admitted that the signatures were forgeries. It is unnecessary to look for an explanation of this persistent silence. From every quarter it leaps to the eyes. As Cicero said, when Cataline asked to have the question of his guilt referred to a vote of the senate:

*Quid est Catalina? Ecquid attendis? Ecquid animadvertis horum silentium? Patiuntur tacent: Quid expectas auctoritatem loquentium, quorum voluntatem tacitorum perspicis? . . . de te autem Catalina, quum quiescunt, probant; quum patiuntur, decernant; quum tacent clamant.*¹

Christian charity is scarcely elastic enough to cover such an expanse of credulity as would be implied in presuming that any of these prominent men had been so long totally ignorant of the use which had been made of their names, and had never felt the shame of it till the peace disclosed to them their folly.

VIII

IT may be said that the impropriety of the Queen's Chancellor of the Exchequer contributing money to the insurgents in the United States was so glaring as to be incredible; and that Mr. Bright and Mr. Seward,

¹ Cicero contra L. Catalina—I. viii.

What would you, Cataline? For what do you wait? Do you not comprehend the silence of this assembly? They endure your appeal but say

nothing. What can you hope from a verdict thus so plainly disclosed? They act not, Cataline, because they approve what I say; their toleration of my denunciations convicts you; their very silence cries out against you.

as well as myself, were bound to consider the list a forgery, so far as he was concerned, without a question. I agree that such ought to have been the case; but let us see if it was so clear that such was the case, and that Mr. Gladstone's friends could claim for him the benefit of such a presumption. Mr. Bright, who knew Mr. Gladstone much better than I did, did not feel quite prepared to give him the benefit of any such presumption. If his opinion might not be conclusive either way, there is stronger light on this subject at our hand.

It was only a few months after this Confederate Loan was negotiated and before the transaction had yet transpired at Richmond, I believe, that Mr. Gladstone perpetrated that far more serious breach of official propriety than a subscription for ten times £2000 for the Confederate Loan would have been. It was when at Newcastle he allowed himself to attempt to prepare the world for England's recognition of the Confederates by the following statement:

“We know quite well that the people of the Northern States have not yet drunk of the cup—*they are still trying to hold it far from their lips*—which ALL THE REST OF THE WORLD SEE *they nevertheless must drink of*. We may have our own opinions about slavery; we may be for or against the South; but THERE IS NO DOUBT that Jefferson Davis and other leaders of the South have made an army, they are making, it appears, *a navy, and they have made what is more than either, they have made a nation.*”

Three months before this reckless utterance to one of the largest collections of Englishmen the orator's

winged words ever reached, Mr. Gladstone wrote to his wife :

“ Lord Palmerston has come exactly to my mind about some early representation of a friendly kind to America, if we can get France and Russia to join.”

He, Palmerston and Russell, the three heads of the Government (Mr. Morley tells us, as we also know from other sources), were at this very time agreed that even in case of failure to secure the coöperation of France and Russia, England alone if necessary ought to recognize the Southern Confederacy as an independent republic.

How did this differ morally or politically from purchasing Confederate bonds, except that in the latter case he only gave a few thousand pounds to aid the rebellion, while in the other he pledged all the power of the United Kingdom to make those bonds good.

The fact is, as Mr. Morley tells us, “ at a very early period Mr. Gladstone formed the opinion that any attempt to restore the Union by force would and must fail,” and insisted to the last that “ the public opinion of this country (England) was *unanimous* that the restoration of the American Union by force was unattainable.”

To the Duchess of Sutherland Mr. Gladstone wrote in 1861 :

“ No distinction can in my eyes be broader than the distinction between the question whether the Southern ideas of slavery are right and the question whether THEY CAN JUSTIFIABLY BE PUT DOWN BY WAR FROM THE NORTH.”

In July, 1862, he wrote to the Duke of Argyle :

“My opinion is that it is in vain, and wholly unsustainable by precedent, to say nothing shall be done until both parties are desirous of it.”

In 1862, September 24th, Lord Palmerston wrote to Mr. Gladstone “that he himself and Lord Russell thought the time was fast approaching when an offer of mediation ought to be made by England, France and Russia, and that Russell was going privately to instruct the ambassador at Paris to sound the French Government. ‘Of course,’ Lord Palmerston said, ‘no actual step would be taken without the sanction of the Cabinet. But if I am not mistaken, you would be inclined to approve such a course.’ The proposal would be made to both North and South. If both should accept, an armistice would follow, and negotiations on the basis of separation. *If both should decline, then Lord Palmerston assumed that they would acknowledge the independence of the South.* The next day Mr. Gladstone replied. He was glad to learn what the Prime Minister had told him, and for two reasons especially he desired that the proceedings should be prompt.”

Russell had already written Palmerston three days earlier, saying explicitly, “I agree further, that in case of failure, we ought ourselves to recognize the Southern States as an independent state.”¹

So far towards a recognition of the insurgents had the three heads of the Queen’s government advanced when Mr. Gladstone went to Newcastle and let fall the sentence about the American War, already cited, “of which,” says Mr. Morley, “he was destined never

¹ Morley’s “Life of Gladstone,” p. 76.

to hear the last"; "but a sentence which *he undoubtedly thought, and not without good reason*, as we have seen, *expressed the views of the Queen's government* and foreshadowed its policy."

On reading this speech the day after it was made, our minister, Mr. Adams, wrote in his diary as follows: "If Gladstone be any exponent at all of the views of the Cabinet then is my term likely to be very short. The *animus*, as it respects Mr. Davis, and the recognition of the rebel cause, is very apparent."¹

The Emperor of France, having constituted himself the wet-nurse of a young empire in Mexico, had as much interest in having republicanism crushed in America as England had, and was pressing England and Russia to join him in a project of interference. But the London Cabinet was not united, happily for all parties, upon that subject. Mr. Gladstone writes home on November 11:

"I am *afraid* we shall do little or nothing in the business of America. But I will send you definite intelligence. . . .

"Nov. 12. The United States affair has ended and *not well*. *Lord Russell rather turned tail. He gave way without resolutely fighting out his battle.* However, though we decline for the moment, the answer is put upon grounds and in terms which leave the matter very open for the future. . . .

"Nov. 13. I think the French will make our answer about America public; at least it is very possible. But *I hope they may not take it as a positive refusal, or at any rate that they may themselves act in*

¹ Address of Charles Francis Adams before the Massachusetts Historical Society.

the matter. It will be clear that we concur with them, that the war should cease. Palmerston gave to Russell's proposal a feeble and half-hearted support."

It will be apparent from these statements and citations of his biographer that of the three leading members of the Queen's Cabinet Mr. Gladstone was the one most disappointed at its failure to recognize the Confederacy.

What the final consequences of such a step would have been will never be known, but the immediate consequences would have been a war which no nation in the world would probably have had more reason than the British to regret. That this statement is not recklessly made, it is enough to quote the following from a private despatch from Mr. Seward to Mr. Adams in August of 1862.

No. 314.

Department of State,
Washington, August 2, 1862.

Sir :

In a confidential note, under the date of July 19th, you give an account of a debate which occurred on the 18th of that month in the House of Commons on the subject of American affairs. After reviewing that discussion, you announce the conclusion that everything in England depends on the military results which shall happen in the United States; that very serious reverses would be likely to bring on a recognition of the independence of the insurgents at an early moment. You next remark that you are not quite sure that under the supposed circumstance such an act, however hostile in spirit, could be considered in itself a just cause of war, and that the doctrines we have maintained heretofore have claimed a considerable latitude in judging for ourselves of the propriety of such a proceeding. You proceed to state that, in the present critical state of matters, you think it a duty to suggest to me the expediency of

furnishing you with the views of the Government, so that you may be prepared to take a course in harmony with them in certain contingencies. You close with the pregnant observation that the tendency in Europe seems to you to be almost unavoidably accelerating the necessity on our part of preparing to meet the emergency that may arise in the South.

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First. The debate does not impress me with the apprehensions you have expressed. It is indeed manifest in the tone of the speeches, as well as in the general tenor of popular discussions, that neither the responsible ministers, nor the House of Commons, nor the active portion of the people of Great Britain sympathize with this Government, and hope, or even wish, for its success in suppressing the insurrection; and that, on the contrary, the whole British nation, speaking practically, desire and expect the dismemberment of the Republic. I cannot deny that these sentiments must insensibly influence the administration, and give its policy a hostile direction. But these sentiments are, after all, in a great measure speculations; and they may very well exist, and yet the Government, and certainly the people, of Great Britain may be entirely unprepared by any responsible action to attempt to precipitate a change here whose consequences may be momentous, even to themselves.

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We cannot forget that we are a younger branch of the British family; that we have not been especially reverential of the senior branch, and have even been ambitious to surpass it in wealth, power and influence among the nations. To these facts it is to be added that, in the very heat of competition, we have broken, have abandoned the course, and have divided ourselves into suicidal factions. The success of the insurgents would make it sure that the race could never be resumed, while the triumph of the Government would probably reanimate the national ambition once more. At this moment we have encountered an unexpected reverse, which encourages our eager enemies, wherever they may be, to hope for our signal and complete overthrow. Did ever any nation, at once so presumptuous, yet so unwise, and so apparently unfortunate, secure the absolute

forbearance of a rival it had boldly challenged? Certainly not, and therefore I reckon not upon any sentimental forbearance of the British Government. The American people understand, as well as their Government does, that none is to be expected or even desired. Still the disfavor of Great Britain is inherently illiberal; and happily the unwarrantable and too unreserved exhibition of it naturally rouses the American people to a sense of their danger, and tends to recall them from unworthy domestic strife to the necessity of regaining the national prestige they have so unwisely lost. Allowing now British prejudice and passion their full effect, the Government of Great Britain must, nevertheless, be expected to act with a due regard to the safety, honor and welfare of the British Empire.

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Would Great Britain profit by a war with us? Certainly neither nation could profit by the war while it should be in actual operation. But it is said she might divide and conquer us. What would she gain by that? Would the whole or any part of the United States accept her sovereignty and submit to her authority? The United States, under their present organization and Constitution, must always be a peaceful nation, practically friendly to Great Britain, as well as to all foreign states, and so they must always be conservative of the peace of nations. Let this organization be struck down by any foreign combinations, what guarantee could Great Britain then have of influence or favor, or even commercial advantage to be derived from this country? Even if this nation, after having lost its liberties and its independence, should remain practically passive, who is to restrain the ambitions of European states for influence and dominion on this side of the Atlantic; and how long, under the agitation of such ambitions, could Europe expect to remain in peace with itself? But what warrant have the British Government for expecting to conquer the United States, and to subjugate and desolate them, or to dictate to them terms of peace? A war urged against us by Great Britain could not fail to reunite our people. Every sacrifice that their independence could require would be cheerfully and instantly made, and every force and every resource which has hitherto been held in reserve in a civil war, because the necessity for immediately using it has not

been felt, would be brought into requisition. I shall not willingly believe that Great Britain deliberately desires such a war, as I am sure that every honorable and generous effort will be made by the United States to avoid it.

In the second place, I observe that apprehensions of a change of attitude by Great Britain are built in some degree upon the supposed probability that very serious reverses to the national cause may occur. None such, however, have yet occurred. We cannot and do not pretend to reckon upon the chances of a single battle or a single campaign. Such chances are, perhaps, happily beyond human control and even human foresight. But the general course of the war and its ultimate results are subjects of calculation, on a survey of forces and circumstances with the aid of experience. We cheerfully leave the study of the probabilities of this war, in this way, to all statesmen and governments whom it may concern, declaring for ourselves that *while we apprehend no immediate danger to the present military condition, the most serious reverses which can happen will not produce one moment's hesitation on the part of the Government or the people of the United States in the purpose of maintaining the Union, or sensibly shake their confidence in a triumphant conclusion of the war.*

In the third place, it is impossible when writing to you (however confidentially) to feel sure that when what is expressed, shall ultimately become public, it will not be thought to have been written for effect or to produce an impression upon the British Government.

Fourthly, I can hardly realize that the tenor of this correspondence has left you in uncertainty of the President's views in regard to what proceeding you shall adopt in the event that the apprehensions you have expressed shall be suddenly realized.

Notwithstanding, however, all the considerations I have brought into view, you are entitled to the explanation you ask, and I proceed to give it confidentially. If the British Government shall in any way approach you directly or indirectly with propositions which assume or contemplate an appeal to the President on the subject of our internal affairs, whether it seem to imply a purpose to dictate or to mediate, or to advise or even to solicit or persuade, you will answer that you are forbidden to debate, to hear, or in any way receive, entertain, or transmit any communication of the kind. You

will make the same answer whether the proposition come from the British Government alone or from that Government in combination with any other Power.

If you are asked an opinion what reception the President would give to such a proposition if made here, you will reply that you are not instructed, but you have no reason for supposing that it would be entertained.

If, contrary to our expectation, the British Government, either alone or in combination with any other Government, should acknowledge the insurgents, while you are remaining without further instructions from this Department concerning that event, you will immediately suspend the exercise of your functions, and give notice of that suspension to Earl Russell and to this Department. If the British Government make any act or declaration of war against the United States you will desist from your functions, ask a passport and return without delay to this Capital.

I have now, in behalf of the United States and by the authority of their Chief Executive Magistrate, performed an important duty. Its possible consequences have been weighed, and its solemnity is therefore felt and freely acknowledged. THIS DUTY HAS BROUGHT US TO MEET AND CONFRONT THE DANGER OF A WAR WITH GREAT BRITAIN AND THE OTHER STATES ALLIED WITH THE INSURGENTS WHO ARE IN ARMS FOR THE OVERTHROW OF THE AMERICAN UNION. YOU WILL PERCEIVE THAT WE HAVE APPROACHED THE CONTEMPLATION OF THAT CRISIS WITH THE CAUTION WHICH GREAT RELUCTANCE HAS INSPIRED. BUT I FEEL THAT YOU WILL ALSO HAVE PERCEIVED THAT THE CRISIS HAS NOT APPALLED US.

IX

RETURNING now for a moment to Mr. Gladstone's Newcastle speech, we find, on the 81st page of the second volume of his biography, Mr. Gladstone's "own estimate of an error," says Mr. Morley, "that was in truth serious enough, and that has since been most of all exaggerated by those sections of

society and opinion who at the time most eagerly and freely shared the very same delusion."

After what I have said of that speech it is perhaps but just that I should quote the apology for it, here referred to.

Before doing so, however, I will quote a few pertinent words from a speech delivered by Disraeli, the leader of the Tory Party, in the House of Commons, on the 5th of February, 1863, at the first session of Parliament after the Newcastle speech:

"Her Majesty's Government," he said, "commissioned one of their members to repair to the chief seats of industry in the country to announce, as I understood it, an entire change in the policy which they had throughout supported and sanctioned; *the declaration* (about Jefferson Davis's army, navy and country) *was made formally and avowedly with the consent and sanction of the Government.* Now, Sir, what did that declaration mean? If it meant anything, it meant that the Southern States would be recognized; because, if it be true that they have created armies, navies and a people, we are bound by every principle of policy and of public law to recognize their political existence."

Lord Palmerston followed Disraeli in the debate, and at considerable length, but he did not deny that statesman's allegation that Gladstone spoke with the authority of the Government at Newcastle, nor refer at all to American affairs: a reticence more significant than any words he could with propriety have uttered.

We will now invite the reader's attention to Mr. Gladstone's post-obit apology for that speech:

“I have yet to record,” he writes (July, 1896) in the fragment already more than once mentioned, “an undoubted error, the most singular and palpable, I may add the least excusable of them all, especially since it was committed so late as in the year 1862, when I had outlived half a century. In the autumn of that year, and in a speech delivered after a public dinner at Newcastle-upon-Tyne, I declared in the heat of the American struggle that Jefferson Davis had made a nation, that is to say, that the division of the American Republic by the establishment of a Southern or secession state was an accomplished fact. Strange to say, this declaration, most unwarrantable to be made by a minister of the crown with no authority other than his own (*but he knew that he expressed the sentiment of the controlling members of the Government*), was not due to any feeling of partizanship for the South or hostility to the North. The fortunes of the South were at their zenith. Many who wished well to the Northern cause despaired of its success. The friends of the North in England were beginning to advise that it should give way, for the avoidance of further bloodshed and greater calamity. [Was that the reason, though?] I weakly supposed that the time had come when respectful suggestions of this kind, founded on the necessity of the case, were required by a spirit of that friendship which, in so many contingencies of life, has to offer sound recommendations with a knowledge that they will not be popular. Not only was this a misjudgment of the case, but, even if it had been otherwise, I was not the person to make the declaration. I really, though most strangely, believed that it was an act of friendliness to all America

to recognize that the struggle was virtually at an end. [?] I was not one of those who on the ground of British interests desired a division of the American Union. [?] My view was distinctly opposite. [?] I thought that while the Union continued it never could exercise any dangerous pressure upon Canada to estrange it from the empire—our honor, as I thought, rather than our interest, forbidding its surrender. But were the Union split, the North, no longer checked by the jealousies of slave-power, would seek a partial compensation for its loss in annexing, or trying to annex, British North America. *Lord Palmerston desired the severance as a diminution of a dangerous power, but prudently held his tongue.*

“That my opinion was founded upon a false estimate of the fact was the very least part of my fault. I did not perceive the gross impropriety of such an utterance from a cabinet minister, of a power allied in blood and language, and bound to loyal neutrality ; the case being further exaggerated by the fact that we were already, so to speak, under indictment before the world for not (as was alleged) having strictly enforced the laws of neutrality in the matter of the cruisers. My offence was indeed only a mistake, but one of incredible grossness, and with such consequences of offence and alarm attached to it, that my failing to perceive them justly exposed me to very severe blame. *It illustrates vividly that incapacity which my mind so long retained, and perhaps still exhibits, an incapacity of viewing subjects all round, in their extraneous as well as their internal properties, and thereby of knowing when to be silent and when to speak.*

“I am the more pained and grieved, because I have

for the last twenty-five years received from the Government and people of America tokens of goodwill which could not fail to arouse my undying gratitude. When we came to the arbitration at Geneva, my words were cited as part of the proof of hostile animus. Meantime I had prepared a lengthened statement to show from my abundant declarations on other occasions that there was and could be on my part no such animus.

“I was desirous to present this statement to the arbitrators. My colleagues objected so largely to the proceeding that I desisted. In this I think they probably were wrong. I addressed my paper to the American minister for the information of his Government, and Mr. Secretary Fish gave me, so far as my intention was concerned, a very handsome acquittal.

“And strange to say, *post hoc* though perhaps not *propter hoc*, the United States have been that country of the world in which the most signal marks of honour have been paid me, and in which my name has been the most popular, the only parallels being Italy, Greece, and the Balkan Peninsula.”

X

THERE are several features of this paper which greatly impair its value as an apology.

First, it was written in 1896, after Mr. Gladstone had retired from public life, and in the eighty-sixth year of his age—a period of life when our recollection of events happening a quarter of a century before, is apt to require vouchers.

Second, if his offense was indeed as he says "only a mistake, but one of incredible grossness," why did he leave this apology in his portfolio for the use of his biographer instead of proclaiming it in his lifetime to the people whom he confesses to have ungratefully wronged. The *esprit d'escalier* has never been known to make or much improve a reputation. An apology for an "incredible impropriety" gets rather moldy if left too long in the inculcate's portfolio and finally reaches the public through no lineal hand.

And how did it happen that for five and twenty years its author not only never showed the least interest by speech or letter in the success of the Lincoln government or in the preservation of our Union, but did exhibit such irrepressible interest in the success of its enemies as to be betrayed by it into a conspicuous display of joy at the supposed evidences of Confederate success which he recapitulated, not a little to the astonishment of his less inflamed Newcastle audience?

The secretion of a foreign body detained for so long a time in any man's physical system would have inevitably resulted in blood poisoning. The fact that this *apologia* was a post-mortem deliverance justifies the apprehension that such secretions may prove as fatal psychically as physically. Few will read it without being reminded of the blunderbuss against religion and morality which Bolingbroke lacked the courage to discharge himself but left adequate inducements to another to draw the trigger after his demise.

At an early stage of our war the Duke of Argyle sent Mr. Gladstone a letter of Mrs. Harriet Beecher

Stowe. In acknowledging it, "he expresses," says Mr. Morley, "all possible respect for her character and talents, but thinks *she has lost intellectual integrity.*" The writer of this impertinence lived long enough — whether he ever did or not — to have realized that it was not Mrs. Stowe's intellectual integrity that was lost, and that Mrs. Stowe was neither the first nor the most innocent person of eminence who had been accused of "having a devil and being mad" by Pharisees who were both mad and obsessed of devils.

Again in this apology for his Newcastle speech Mr. Gladstone speaks of a "lengthened statement" he had addressed to our minister (Mr. Schenck) "for the information of his Government," and adds as the result of it, "Mr. Fish gave me, so far as my intention was concerned, a very handsome acquittal."

Why does not Mr. Morley produce Mr. Fish's "very handsome acquittal"; for obviously it would have been of far more value for Mr. Gladstone's purpose than anything Mr. Morley has left us upon this subject. Incredible as it seems that Mr. Morley should have failed to produce this acquittal, if he had one to produce, what I am about to add will seem yet more incredible. Mr. Gladstone never received such an acquittal from Mr. Fish, or from the Washington Government. That fact sufficiently accounts for the effulgence of its absence from Mr. Morley's record. My readers have a right to presume that upon this question Mr. Gladstone's authority is not only better than mine, but the very best authority possible. Therefore I appeal to Mr. Gladstone himself for the evidence

that he had no authority whatever to use Mr. Fish's name in the way it is used in this *mea culpa*. That evidence is found in a letter written by him two years later to Mr. Schenck in which he assigns, as his excuse for writing it, the fact that the answer of Mr. Schenck to his first letter did not answer his purpose because, and only because, it did not express the opinion of the Washington Government. Here is the letter :

GLADSTONE TO SCHENCK

10 Downing St., Whitehall,

Feb. 20, 1874.

My dear General Schenck :

When I had the pleasure of seeing you on Tuesday I had not been displaced by a successor, and I refrained from troubling you with the word which, now that I am a private individual only, I have to say.

The kind letter which I received from you a short time back on the subject of my own voluminous epistle, was, as I have already said, entirely satisfactory to me as an expression of your own feelings.

What I hope is that you will at some fitting time be enabled to give me a like assurance on behalf of your Government, since it was under their authority that the Case of the U. S. was framed and published and on that authority still rest the personal charges against me contained in it.

Though sorry to clog your wings during your holiday with so much as a thought of business, I trust this note may not occasion to you any sensible amount of care and trouble.

Very faithfully yours,

W. E. GLADSTONE.

His Excellency the American Minister.

If Mr. Gladstone ever received in reply to this letter or otherwise, any assurance on behalf of Mr. Schenck's government such as he professes to have received,

I have here given Mr. Morley what I hope he will regard as an eligible opportunity of producing it. Till such letter is produced I must persist in affirming that Mr. Gladstone never received such a letter or such an assurance.

XI

IT is anything but an agreeable duty to track the eccentricities of genius into the mire where there is no pleasant standing; but it is not I that have created the necessity.

Had the Confederates triumphed, and had the Northern States drunk of the cup which, at the time of the issue of this loan, Mr. Gladstone was proclaiming from the housetops to his countrymen in a tone of undisguised satisfaction "all the world sees that they must drink of," I may be asked if I believe that Mr. Gladstone would ever have accepted those bonds or the 7% interest to which the owner would have been entitled.

It is not for me to say what Mr. Gladstone would have done in such or any other future event. He twice admits that his name was on the list, first in asking to have it removed, and later in pronouncing it a forgery. He never appears to have taken any pains to call any banker, broker or friend to account for its being there or to have it stricken off, nor has any banker, broker or friend as yet volunteered to discharge that friendly office for him. Neither, if there, has he offered any explanation or apology for it, a duty he certainly owed to the Queen, his Mistress, if not to Mr. Seward.

There can be no doubt that no one but Mr. Gladstone could have claimed either the principal or the interest of those bonds. If our Union had been wrecked, and if his Confederate nation had really been created, why should he not have shared in the plunder with the other wreckers who were swarming on the shore waiting for our Republic to go to pieces? I do not think I am guilty of the least exaggeration when I affirm that Mr. Gladstone did more to encourage and accredit the Confederate cause throughout the world than any other single individual in the British Empire. It was not his fault that Jefferson Davis did not realize the Newcastle prophecy. For that speech alone he would have deserved to be proclaimed the hero, the Cromwell, of his new nation, the only nation that would have been left in the world of which Slavery was the boasted corner-stone. After breaking into a friendly neighbor's house, and taking all his silver and linen, what virtue or reason would there be in leaving the miniatures of the family?

As History is Philosophy teaching by example it may be profitable for teaching, for reproof and for correction to recall here an incident which commenced preaching more than twenty-one centuries ago. Hannibal, the famous Carthaginian general, negotiated a treaty with Rome, one of the clauses of which provided that the Carthaginians should not declare war against any nation without the sanction of the Roman Senate. Masinissa, the King of Numidia, an ally of Rome, took advantage of this treaty to enlarge his territory at the expense of the Carthaginians. The latter, having their hands tied by this treaty, ap-

pealed to Rome. Being then engaged in a war with Macedonia, Rome gave evasive answers; but finally sent ten commissioners to Africa to settle the differences between her aforetime allies. Cato, the Censor, also sometimes called the Just, was the chief of this embassy. He was so impressed by the wealth and prosperity of Carthage (which he had believed to be in a condition of hopeless decadence) that he persuaded the commissioners to return with him to Rome without attempting to reconcile the dissidents. When rendering an account of their mission to the Senate, Cato allowed some Libyan figs to fall from his toga upon the floor of the senate chamber, and then significantly remarked, "The land which produced those figs is but three days' sail from Rome." From that day forth he terminated all his discourses on African politics with these now hackneyed words: "*Cæterum censeo Carthaginem esse delendam*" ("Still Carthage should be destroyed").

I will now in conclusion allow myself to ask if Mr. Gladstone's declaration to Mr. Yarnall about the Confederate bonds is susceptible of any more charitable construction than that it was another exhibition of that "incapacity of viewing subjects all round, in their extraneous as well as their interior properties, and therefore of knowing when to be silent and when to speak," which he himself avowed as his only excuse for his Newcastle speech? I feel also entitled to ask what excuse Mr. Gladstone, his friends, or his biographer have for neglecting to get from the Confederate bankers, either a denial that Mr. Gladstone's

name was on any of their lists, or, if there, by whose or what authority ; who paid the money, if any was paid ; who received the interest when it became due ; who received the bonds, and where the bonds are now ?

Until Mr. Morley had qualified himself to answer these questions I do not think he was at liberty to describe the publication of the bankers' list of the stockholders of Confederate bonds as "a calumny," nor Mr. Gladstone to describe it as "a mischievous forgery," nor the late Mr. Delane, then editor of the *London Times*, to call it "a lying list."

In the language of Mr. Seward to me on the 4th of November, 1865, "The British nation owes us fuller and more free information concerning the character of those conspirators than its press has thus far given."

